

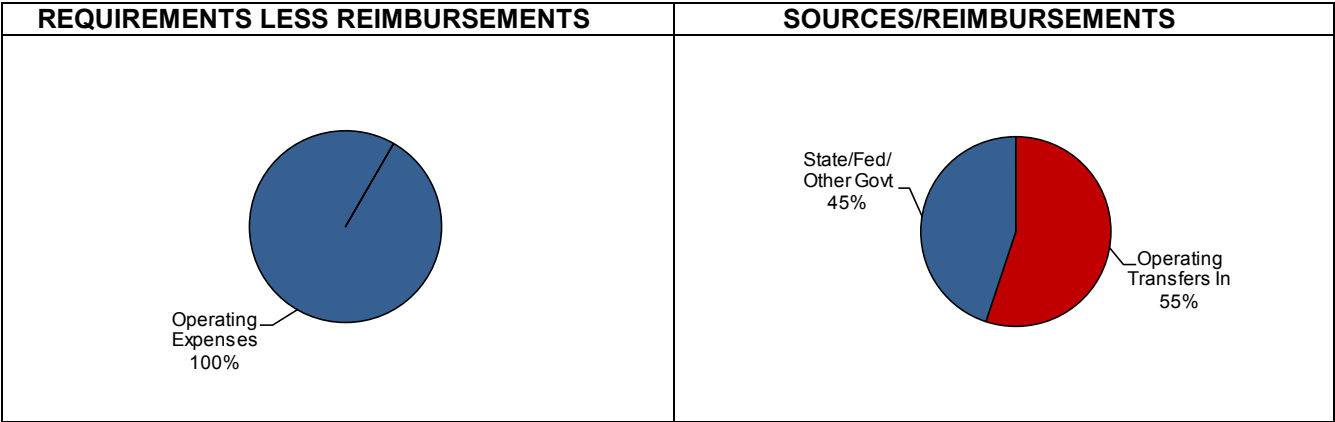
Medical Center Lease Payments

DESCRIPTION OF MAJOR SERVICES

This budget unit funds the cost of long-term lease payments to the Inland Empire Public Facilities Corporation for the Arrowhead Regional Medical Center (ARMC) facility. Funding sources include state revenues from the Construction Renovation/Reimbursement Program (SB 1732). This program provides supplemental reimbursement for construction, renovation, or replacement of medical facilities or fixed equipment. Other funding sources are operating transfers from ARMC consisting of Medicare and fee for service revenues, and operating transfers from the general fund backed by Health Realignment revenues and tobacco settlement proceeds.

Budget at a Glance	
Requirements Less Reimbursements*	\$42,049,251
Sources/Reimbursements	\$42,049,251
Net Budget	\$0
Estimated Unrestricted Net Assets	\$0
Use of Unrestricted Net Assets	\$0
Total Staff	0
*Includes Contingencies	

2014-15 ADOPTED BUDGET



ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Arrowhead Regional Medical Center
 DEPARTMENT: Arrowhead Regional Medical Center
 FUND: Medical Center Lease Payments

BUDGET UNIT: EMD JPL
 FUNCTION: General
 ACTIVITY: Property Management

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2013-14 Final Budget	2014-15 Adopted Budget	Change From 2013-14 Final Budget
Requirements							
Staffing Expenses	0	0	0	0	0	0	0
Operating Expenses	42,988,658	41,526,830	41,657,396	42,279,632	43,150,014	42,049,251	(1,100,763)
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	42,988,658	41,526,830	41,657,396	42,279,632	43,150,014	42,049,251	(1,100,763)
Reimbursements	0	0	0	0	0	0	0
Total Appropriation	42,988,658	41,526,830	41,657,396	42,279,632	43,150,014	42,049,251	(1,100,763)
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	42,988,658	41,526,830	41,657,396	42,279,632	43,150,014	42,049,251	(1,100,763)
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	19,500,334	18,820,181	18,901,369	21,247,254	19,063,823	18,877,576	(186,247)
Fee/Rate	0	0	0	0	0	0	0
Other Revenue	0	0	769,768	2,887	0	0	0
Total Revenue	19,500,334	18,820,181	19,671,137	21,250,141	19,063,823	18,877,576	(186,247)
Operating Transfers In	23,488,324	22,706,649	21,986,259	21,029,491	24,086,191	23,171,675	(914,516)
Total Sources	42,988,658	41,526,830	41,657,396	42,279,632	43,150,014	42,049,251	(1,100,763)
Net Budget*	0	0	0	0	0	0	0
				Budgeted Staffing	0	0	0

*Net Budget reflects Total Sources less Total Requirements for Internal Service and Enterprise funds. When Net Budget is negative, it means that the department will be using assets that have been carried over from the prior year.

MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Operating expenses of \$42.0 million represent lease payments and associated fees and expenses.

State, federal, or government aid revenue of \$18.9 million is from the state's Construction Renovation/Reimbursement Program (SB 1732). The amount reimbursed by the state depends on the allowable portion of the lease payments multiplied by a rate that is calculated by the state every year. The rate fluctuates based on actual Medi-Cal inpatient days paid to ARMC.

Operating transfers in of \$23.2 million are funded by \$10.7 million of Tobacco Master Settlement Agreement monies, \$4.5 million of Health Realignment funds, and \$8.0 million in revenues anticipated to be generated by ARMC.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$1.1 million primarily due to reduced costs associated with a payment of rebate to the federal government in 2013-14 which will not recur in 2014-15, resulting in a reduction of sources needed to meet requirements.

STAFFING CHANGES AND OPERATIONAL IMPACT

There is no staffing associated with this budget unit.



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